

U.S. OFFICIAL COMMUNICATIONS TO
THE SECRETARY OF STATE
WASHINGTON, D.C.



a reply refer to
E 893.114 Narcotics/2976

DEPARTMENT OF STATE
WASHINGTON

EQ #397
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May 2, 1941

CONFIDENTIAL

Attention: Customs Agency Service

The Secretary of State presents his compliments to the Honorable the Secretary of the Treasury and, referring to this Department's letter of March 4, 1941, encloses herewith, in duplicate, for the confidential information of the Treasury Department, a copy of despatch no. 92, dated March 28, 1941, from the American Consulate at Tainan in regard to the

narcotics situation in Shantung.

Enclosure:

From Consulate, Tsinan, no. 92,
March 28, 1941, in duplicate.

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No. 92.

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THE FOREIGN SERVICE
OF THE
UNITED STATES OF AMERICA

AMERICAN CONSULATE

Tainan, China, March 28, 1941.

SUBJECT: 2,900 MON OF OPIUM POPPIES GROWING
IN BUT ONE OF SHANTUNG'S 106 COUNTIES.
TAINAN OPIUM ADDICTS TO REGISTER.
JAPANESE ARMY PROFITS FROM SALE OF
HEROIN TO CHINESE PUPPET TROOPS.

THE HONORABLE

THE SECRETARY OF STATE

WASHINGTON

SIR:

Supplementing the Consulate's despatch no. 87 of
February 4, 1941, subject: "Under Protection of Japanese
Army Cultivation of Opium in Siamtung Continues"

Despite

Despite Apparently Sincere Efforts of "Governor" to Suppress the Evil", I have the honor to report that during a recent inspection trip conducted in Lich'eng Hsien (the county in which Tainan is situated) by "Governor" T'ANG Yang-tu, it was discovered that 2,900 mow of land is devoted to the cultivation of the opium poppy, including 1,100 mow of so-called illegal poppies, i. e., land planted to poppies the mowage tax on which has not been paid to the "Provincial Government". It was found that the tax has in fact been collected from the farmers by the "Magistrate" of Lich'eng, Mr. SHUAI Ching-liao. The latter has accordingly been arrested at the instance of the "Governor" on the charge of embezzling Government funds. Mr. Shuai's trial is now pending in the Shantung Provincial High Court, but it is understood

that certain Japanese authorities (who probably had a share in the spoils) are exercising their influence in his behalf.

At any rate, it has been definitely disclosed that 2,900 mow of land is planted to the opium poppy in but one of Shantung's 105 counties (excluding the Special Municipalities of Tsingtao and Chefoo).

Opium addicts to register by April 1, 1941.

The following is a translation of a notice which appeared in today's edition of the semi-official SHANTUNG HSIN MIN PAO, on the above subject:

"In as much as the time limit (April 1, 1941) for the registration of opium addicts is soon to be reached, the Chief of the Opium Suppression Bureau at Tsinan, Mr. Li Tsung-han, is having leaflets printed to advise opium addicts in Tsinan to register in compliance with regulations. As

prescribed

*1 mow equals 1/6 acre.

prescribed by such regulations opium addicts above 50, if identified by the competent police office, may go direct to the Opium Suppression Office for registration, while those above 30 and below 50 must first go to a hospital to be examined. If the addict is proved by the doctor to have acquired the habit of smoking opium on account of illness, the former will then be permitted to register with the doctor's certificate."

The Consulate does not believe that any great difficulty will be experienced by opium addicts, regardless of age, sex or condition, in securing registration certificates legalizing their use of opium upon payment of the prescribed fees and taxes. The registration measure is thought to have been designed merely to insure the collection by the "Opium Suppression Bureau" of the maximum revenue.

Japanese Army profits through sale of heroin to renegade Chinese troops.

Reports from reliable foreign sources indicate that the use of heroin by the renegade Chinese troops cooperating with the Japanese forces is widespread, particularly among those in northeastern Shantung. The sale of heroin adulterated with flour is being sponsored by and engaged in primarily for the profit of the Japanese Army. It is made available in "doses" costing "Federal Reserve Bank" \$3.00*, and is consumed by addicts by burning and inhaling the fumes. A single addict is capable of consuming as much as FRB \$45.00 worth of this adulterated heroin in a single day, it is said. Thus the people of northeastern Shantung are being indiscriminately robbed by these puppet Chinese troops (or "second devils", as they are called by their fellow countrymen) to satisfy their lust for heroin and to provide funds for the Japanese military

*FRB \$1.00 equals about U.S. \$0.08.

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military.

Respectfully yours,

Carl O. Hawthorne,
American Vice Consul.

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Original and 4 copies to Department,
Copy to Embassy, Peiping,
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